

**DELAWARE HEALTH FACILITIES AUTHORITY
MINUTES OF MEETING OF BOND COMMITTEE ON APRIL 30, 2014**

BEEBE MEDICAL CENTER PROJECT, SERIES 2014B

Minutes of Meeting of Bond Committee with regard to the Beebe Medical Center, Inc. (the "Bond Committee") financing held on April 30, 2014, at the office of Potter Anderson & Corroon LLP, 1313 North Market Street, Hercules Plaza, 6th Floor, Wilmington, Delaware:

The Bond Committee of the Delaware Health Facilities Authority (the "Authority"), consisting of Rolf F. Eriksen, the Chairman of the Authority, Desmond Baker, the Secretary of the Authority, and Howard Palley, a Member of the Authority, convened at 10:00 a.m. on Wednesday, April 30, 2014. The Bond Committee was established by Resolution of the Authority, adopted April 23, 2014 (the "Authority's Resolution"), to approve the details of a revenue bond financing for the benefit of Beebe Medical Center, Inc. (the "Hospital") as more fully described in the Authority's Resolution.

Also participating in the meeting were Emily Abrantes and Ayokunle Ogundeji of Public Financial Management, Inc. ("PFM"), the Authority's Financial Advisor (by telephone); John J. Quinn, III, Esq. of Potter Anderson & Corroon LLP, the Authority's Counsel; Emilie R. Ninan, Esq. of Ballard Spahr LLP, Bond Counsel; John Cheney of Ponder & Co., the Hospital's Financial Advisor (by telephone); and Bruce Colbourn representing PNC Bank, N.A. (the "Bond Purchaser") (by telephone).

The meeting was duly noticed and open to the public. No members of the public were in attendance.

Mr. Eriksen called the meeting to order and invited Mr. Colbourn and the Hospital's outside advisors to present the sale proposal for the Series 2014B Bonds (hereinafter defined).

Mr. Colbourn and Mr. Cheney described the interest rate lock proposal. Mr. Colbourn, Mr. Cheney, and Ms. Ninan described the Series 2014B Bonds as a direct purchase transaction and addressed the Bond Committee's questions. In closing, Mr. Colbourn and Mr. Cheney requested the Bond Committee to approve the 2014B Bond Purchase Contract to be dated April 30, 2014, pursuant to which the Bond Purchaser will purchase the Series 2014B Bonds (the "2014B Bond Purchase Contract").

At the invitation of Mr. Eriksen, Ms. Abrantes noted that the 2014B Bond Purchase Contract provides for a principal amount of \$9,670,000.00 and fixed interest rate of 2.01%. The interest rate was set through a rate lock agreement and is favorable to the Hospital. At Mr. Quinn's request for PFM's recommendation, Ms. Abrantes recommended that the Bond Committee approve the Bond Purchaser's proposal.

In the absence of Hospital representatives, Mr. Eriksen asked Mr. Cheney of Ponder & Co., the Hospital's Financial Advisor, whether he anticipated that the Hospital would be satisfied with the interest rate on the Series 2014B Bonds. Mr. Cheney answered affirmatively.

After further discussion, Mr. Quinn advised that the proposal was within the parameters established by the Authority's Resolution.

At Mr. Eriksen's request, Mr. Quinn then presented the following Resolution to the Bond Committee for its consideration:

RESOLVED THAT:

1. The Authority shall issue its Revenue Bonds (Beebe Medical Center Project) Series 2014B in the aggregate principal amount of \$9,670,000.00 (the "Series 2014B Bonds") pursuant to the Supplemental Indenture No. 5 (the "Indenture") between the Authority and The Bank of New York Mellon Trust Company, as trustee, which supplements the Trust Indenture dated as of April 1, 1990 between the Authority and Chase Bank USA, National Association (f.k.a Chase Manhattan Bank USA, National Association and successor Trustee to PNC Bank, Delaware and Bank of Delaware) as previously amended and supplemented.
2. The Authority shall lend the proceeds of the Series 2014B Bonds to the Hospital pursuant to the Sixth Supplemental Loan, Mortgage and Security Agreement dated as of June 1, 2014 between the Authority and the Hospital (the "Loan Agreement") which supplements the Loan, Mortgage and Security Agreement dated as of April 1, 1990 between the Authority and the Hospital, as previously amended and supplemented, for the purposes described in the Authority Resolution.
3. The Bond Purchaser shall purchase the Series 2014B Bonds pursuant to the 2014B Bond Purchase Contract between the Bond Purchaser and the Authority dated April 30, 2014.
4. The final maturity of the Series 2014B Bonds on June 1, 2024 is within fifty (50) years of the date of issuance. The interest rate shall be 2.01% for the first 7 years. The purchase price for the Series 2014B Bonds shall be \$9,670,000.00.
5. The Bond Committee hereby approves the following documents which are hereby authorized to be executed and delivered in such form as the signers thereof shall approve to carry out the intent of this Resolution: the 2014B Bond Purchase Contract; the Indenture; the Series 2014B Bonds and certificates relating thereto; the Loan Agreement; and, after taking under consideration the advice of the Authority's Counsel and having determined its advisability, a Tax Compliance Certificate of the Authority and the Hospital applicable to the Series 2014B Bonds.
6. The Bond Committee hereby acknowledges and approves the following document to be executed by parties other than the Authority in connection with the issuance of the Series 2014B Bonds: the Series 2014B Direct Placement Agreement between the Hospital and the Bond Purchaser, substantially in the form presented to the Bond Committee at this meeting with such changes as the Chairman or Vice Chairman of the Authority may agree to after taking under consideration the advice of the Authority's Counsel.
7. The Chairman, the Vice Chairman and all other officers of the Authority, or any of them, are authorized to execute and deliver any of the foregoing instruments as well as any other instruments or certificates required to accomplish the intent of this Resolution.

After further discussion, the Resolution was moved by Dr. Palley, seconded by Mr. Baker, and unanimously approved by the Bond Committee.

There being no further business to come before the meeting, the meeting was adjourned at approximately 10:40 a.m.

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I, Rolf F. Eriksen, hereby certify that the foregoing is a true and correct copy of the Minutes of a meeting of the Bond Committee of the Delaware Health Facilities Authority held on April 30, 2014.

A handwritten signature in black ink, appearing to read 'Rolf F. Eriksen', is written over a horizontal line.

Rolf F. Eriksen
Chairman